

Sri MULKA GOVINDA REDDY.—In the answer (c) you have stated that the compensation has not been paid since 1948-49 and that the question of payment of compensation is under correspondence. May I know with whom you are corresponding in this respect?

Sri H. SIDDAVEERAPPA.—Between the Public Works Department, the Police Department, etc. The Police Department was in possession of the land for some time. And, now, the Food Department.

Sri MULKA GOVINDA REDDY.—Shall I take it that you will immediately attend to these matters?

Sri H. SIDDAVEERAPPA.—Certainly, Sir.

Loans issued by the Provincial Co-operative Apex Bank.

Q.—114. Sri S. SRINIVASA IYENGAR (T.-Narsipur).—

Will the Government be pleased to state:

(a) the amount of loan issued by the Provincial Co-operative Apex Bank, Ltd., as loan for the last six years (yearwar figures may kindly be given);

(b) the names of institutions to whom the loans were sanctioned, noting against them the date of sanction, the amount sanctioned and the security offered by them;

(c) when these debtor institutions were registered;

(d) how many of such institutions are in default and for how long;

(e) the names of Presidents during such periods;

(f) out of these, how many are considered by the Committee (1) Bad and (2) Doubtful;

(g) how many of these are considered by the general auditor as irrecoverable debts;

(h) what is the financial position of the Apex Bank now;

(i) have they appealed for help from Government;

(j) whether the Reserve Bank is contemplating to advance loan to the Apex Bank;

(k) whether they have agreed to stand as security to such a loan;

(l) whether they have looked into the soundness of the institution by independent audit before standing as a surety?

A.—Sri H. SIDDAVEERAPPA (Minister for Home and Industries).—

(a) to (d) The details are too voluminous to be printed. A copy of statement showing the required information is placed on the table of the House.

(e) (i) *Lokasevasakta* S. Kuppaswamy Iyengar till 20th November 1948.

(ii) Sri Srinivas, F.R.H.S., from 21st November 1948 to 8th July 1951.

(iii) Sri K. Subba Rao, B.A., I.A.S., from 9th July 1951 to date.

(f) The Committee has expressed no opinion regarding these loans.

(g) One case of 1949-50.

(h) *Vide* balance sheets as on 30th June 1952 (from the printed report), placed on the table of the House.

(i) Yes.

(j) Yes.

(k) Yes.

(l) Yes.

Sri S. SRINIVASA IYENGAR.—Will the Government be pleased to state the procedure that is adopted by the Apex Bank in granting loans to registered co-operative institutions?

* **Sri H. SIDDAVEERAPPA.**—My friend was a Member of that Apex Bank for some time. Therefore the procedure adopted for granting loans to the co-operative institutions is well known to him.

Sri S. SRINIVASA IYENGAR.—Is it not a fact that the Apex Bank grants such loan after the recommendation of the Registrar of Co-operative Societies?

Sri H. SIDDAVEERAPPA.—Generally.

Sri S. SRINIVASA IYENGAR.—I want to know whether it is a fact that the Society called Christian Co-operative Society, Bangalore City,

(Sri S. SRINIVASA IYENGAR.)

was granted a loan before it was registered?

Sri H. SIDDAVEERAPPA.—I admit some irregularities have been committed in this list. I have gone through the whole list. There are some irregularities for which the Bank will have to account and answer.

Sri S. SRINIVASA IYENGAR.—Is it not a fact the Bank has to get Rs. 8,73,465-7-8 from the liquidated societies?

Sri H. SIDDAVEERAPPA.—I do not know the amount. But a very huge amount is due to the Bank from the liquidated societies and it is a legacy of the past 35 years or more.

Sri S. SRINIVASA IYENGAR.—Is it not a fact that the Bad Debt Fund is only Rs. 21,117 to cover all these bad debts?

Sri H. SIDDAVEERAPPA.—It is a very poor amount, I know.

Sri S. SRINIVASA IYENGAR.—How did the Government say, then, that the financial condition of the Apex Bank is sound?

Sri H. SIDDAVEERAPPA.—I have to make it sound. I cannot but make it sound.

Sri S. SRINIVASA IYENGAR.—Is it a fact, Sir, that from 1928 onwards, there are arrears to the tune of Rs. 3,11,013-2-1 from various institutions which are dormant?

Sri H. SIDDAVEERAPPA.—It is for this reason. This Bank, at one time before the introduction of the Central Land Mortgage Bank, was also giving loans for long-term; they were also giving loans till very recently to the House Building Co-operative Societies. Therefore, they were doing not purely short-term credit business but also long-term credit business. In the long history of the Bank for the last 40 years, it has its own chequered career for some time. There were ups and downs; therefore bad debts have accumulated.

Sri S. SRINIVASA IYENGAR.—Is it not a fact, Sir, that several thousands of rupees, more than

Rs. 50,000 are granted to a co-operative society within one year of its registration?

Sri H. SIDDAVEERAPPA.—I have already said that certain irregularities of a grave nature have been committed there.

Sri S. SRINIVASA IYENGAR.—With reference to answer (1), may I know whether the Government have appointed an auditor independent of the certified auditor to get these accounts audited apart from the general Auditor of the Bank?

Sri H. SIDDAVEERAPPA.—Apart from the general audit of the Bank, the Joint Registrar of Co-operative Societies who has intimate knowledge of the working of this institution has gone through it and the Government have looked into the financial aspect of it. The Reserve Bank sent their own independent auditor to go into the accounts of this society. They have also given their own opinion. Therefore, before the Government have agreed to stand as a surety, the Government have looked into all those aspects. But the unfortunate trouble about this is, I have to make use of the Institution if I have to get any amount from the Reserve Bank. The only thing is how to regularise and how to set the house in order.

Sri S. SRINIVASA IYENGAR.—In the light of the past experience, will the Government have better control now over the use of the money they get from the Reserve Bank?

Sri H. SIDDAVEERAPPA.—The Government will certainly examine the question. The Government have been going through it, and if need be, legislative enactment will be introduced in order to make the society more stable.

Sri A. BHEEMAPPA NAIK.—How much of this debt is irrecoverable?

Sri H. SIDDAVEERAPPA.—It is said that, so far as the audited account is concerned, only in one society, they say, it is proved to be a bad debt.

Sri A. BHEEMAPPA NAIK.—How much of it is bad debt, is my question and not whether it is bad debt or not. How much of it is a bad debt is a simple question.

Sri H. SIDDAVEERAPPA.—You mean about bad debts?

Sri A. BHEEMAPPA NAIK.—Out of the arrears, I want to know in how many cases they are irrecoverable and in how many cases there are properties against which you can proceed.

Sri H. SIDDAVEERAPPA.—In very many cases which are now under liquidation, unlimited liability of some of those unfortunate members have now been insisted upon. Now, as I can see, very nearly I have gone through very closely the accounts of the Bank and roughly about Rs. 4 lakhs may become irrecoverable.

Sri A. BHEEMAPPA NAIK.—Out of that, how many of them are Ex-Directors and how many of them were Ex-members of the Apex Bank? How many of those are Ex-Directors whose debts are irrecoverable?

Sri H. SIDDAVEERAPPA.—If the Hon'ble Member wants, I can furnish that information.

Sri A. BHEEMAPPA NAIK.—In the light of this discussion, will the Government take immediate steps to see that at least a list of recoverable debts is made and immediate action taken to recover at least the recoverable debts by proceeding against the properties?

Sri H. SIDDAVEERAPPA.—So far as debts that can be recovered are concerned, I can assure the Hon'ble Member, that the present President of the Co-operative Bank who has been nominated by the Government has been discharging his duties to the satisfaction of the Government. Immediate vigorous steps have been taken to recover the arrears.

Sri A. BHEEMAPPA NAIK.—May I know how much of it has already been recovered since this state of affairs was brought to your

notice, on account of the vigorous steps that have been taken?

Sri H. SIDDAVEERAPPA.—I may invite the attention of the Hon'ble Member to the latest balance-sheet of the society which has been recently published. It contains the arrears outstanding, recoveries made, arrears outstanding from what period,—all those details are there. I invite my friend to look into it.

Sri A. BHEEMAPPA NAIK.—I did not ask you about recoverable debts, unrecoverable bad debts and good debts. That is not the point. I want to know out of the good debts, how much has been recovered already and how much is pending recovery? What is the action taken?

Sri H. SIDDAVEERAPPA.—Sir, these were the loans outstanding by the end of June 1953 :—

Long-term loan due from	
Agricultural Credit Societies	Rs. 4.41 lakhs
Short-term loan due from	
Marketing Societies	Rs. 16.60 lakhs

Mr. SPEAKER.—The Minister has not understood the Member's question. He is asking as to how much has been recovered.

Sri H. SIDDAVEERAPPA.—Well, so far as that figure is concerned, I can give you later. I can only say, and I want to correct one impression so far as the working of this Co-operative Society is concerned, that the bad debts that have accrued are not all recent ones. They were bad debts, which were incurred about 25 or 30 years ago, due to the Bank from those Societies which are now under liquidation and I might assure the Hon'ble House that, so far as the current working is concerned, transactions have been quite to the satisfaction of the Government. Except one Society, as is to be found from the replies, all other societies have been working to the satisfaction of the Government.

1 P.M.

ಶ್ರೀ ಎ. ವಿ. ನರಸಿಂಹರೆಡ್ಡಿ.—ರಿಸರ್ವ್ ಬ್ಯಾಂಕಿ ನವರು ವ್ಯವಸಾಯಗಾರರಿಗಾಗಿ ಕೊಡುವ ಪೂರ್ವ ಒಪ್ಪಂದ ರೋಗವನ್ನು ಎಪ್ಪೆಂಟ್ ಬ್ಯಾಂಕು ಮುಖಾಂತರ ಹಂಚಲು ಏರ್ಪಾಡು ಮಾಡಿದೆಯೇ ?

ಶ್ರೀ ಎಚ್. ಸಿದ್ದವೀರಪ್ಪ.—ಹೌದು. ಅದನ್ನೇಗ ಪರಿಶೀಲಿಸಲಾಗುತ್ತಿದೆ.

ಶ್ರೀ ಎ. ವಿ. ನರಸಿಂಹರೆಡ್ಡಿ.—ಸರ್ಕಾರದವರು ಪರಿಶೀಲಿಸಿ ಯಾವಾಗ ಇದನ್ನು ಜಾರಿಗೆ ಕೊಡುವುದು ?

Sri H. SIDDHAVEERAPPA.—Already steps have been taken to implement it. The Apex Bank will have to be kept in order. The Apex Bank will become the Central Bank and then we will have to start District Banks.

ಶ್ರೀ ಎ. ವಿ. ನರಸಿಂಹರೆಡ್ಡಿ.—ಕರಡು ಪ್ರತಿಯನ್ನು ಸರ್ಕಾರದವರು ಒಪ್ಪಿದ್ದಾರೆಯೇ ?

ಶ್ರೀ ಎಚ್. ಸಿದ್ದವೀರಪ್ಪ.—ಯಾರು ಕಳುಹಿಸಿರುವುದು ?

ಶ್ರೀ ಎ. ವಿ. ನರಸಿಂಹರೆಡ್ಡಿ.—ಎಪ್ಪೆಂಟ್ ಬ್ಯಾಂಕ್.

ಶ್ರೀ ಎಚ್. ಸಿದ್ದವೀರಪ್ಪ.—ಆ ಬ್ಯಾಂಕು ಕಳುಹಿಸಿದ ಮೇಲೆ ಸರ್ಕಾರದವರು ಏನು ಬದಲಾಯಿಸಬೇಕು ಎಂದು ಯೋಚಿಸಬೇಕು, ಈಗಾಗಲೇ ಹೇಳಿದವಾಗಲಿ, ಒಂದು ಕಾನೂನು ಮಾಡಲು ಪರಿಶೀಲಿಸುತ್ತಿದ್ದೇವೆ.

Sri B. MADHAVACHAR.—What is the total amount that is made available to agriculturists ?

Sri H. SIDDHAVEERAPPA.—The Reserve Bank are prepared to give us this year, according to their Budget, about two crores. For immediate use they have kept at our disposal 25 lakhs.

Question No. 297.

Expenditure on Educational Reforms.

(For previous supplementaries, please refer to pages 2756 and 2757 of No. 42, dated 28th July 1953 of this volume.)

Sri A. BHEEMAPPA NAIK.—Have you included the expenditure of buildings that are proposed to be constructed to accommodate boys under compulsory scheme ?

Sri A. G. RAMACHANDRA RAO.—Not accommodation for all boys, but necessary recurring and non-recurring expenditure are put up. In the non-recurring expenditure the building part of it comes and in the building necessary parts are included.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಮುಂದೆ 10 ವರ್ಷಗಳಲ್ಲಿ ಎಕ್ಸ್‌ಟೆಂಡ್‌ಮಾಡಿದರೆ ಕಟ್ಟಡಬೇಕಲ್ಲ, ಅದಲ್ಲಾ ಸೇರಿದೆಯೇ ? ಕಟ್ಟಡಗಳ ಏರ್ಪಾಡು ನಾನು ಕೇಳುವುದು.

Sri A. G. RAMACHANDRA RAO.—I may submit Sir, this is only an estimate, only the necessities as envisaged are put up; it cannot be taken as accurate or as final.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಸೆಕೆಂಡರಿ ಸ್ಕೂಲುಗಳು ಮುನಿಸಿಪಾಲಿಟಿಗಳಿಗೆ ಸೇರಿರುವುದು 180 ಚಿಲ್ಲರೆ, ನಿಮ್ಮದು 17 ಇವೆ, ಇದರಲ್ಲಿ ತಮ್ಮ ಬರ್ಚುಮಾತ್ರ ಸೇರಿದೆಯೋ ಅಥವಾ ಮುನಿಸಿಪಾಲಿಟಿಗೆ ಸಂಬಂಧಪಟ್ಟ ಬರ್ಚು ಸೇರಿದೆಯೋ ? That is all that I want. I do not want a general answer.

Sri A. G. RAMACHANDRA RAO.—True. Whatever has been considered necessary even in that regard has been included.

Sri A. BHEEMAPPA NAIK.—Have you included the expenditure that the Municipality has to bear on account of the construction of the buildings ?

Sri A. G. RAMACHANDRA RAO.—I want notice for that, Sir.

Sri A. BHEEMAPPA NAIK.—Sir, after 3 days, 8 days or 10 days, to answer these questions if the Minister wants notice, what is the use of my having kept quiet all these days ?

Mr. SPEAKER.—Let us see. Put other questions.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಪ್ರೈಮರಿ ಸ್ಕೂಲುಗಳಿಗೆ 4 ಎಕರೆ ಭೂಮಿ ಅಕ್ವೈರ್ ಮಾಡುವುದು, ಅಲ್ಲ ಬಾವಿಗಳನ್ನು ತೆಗೆಸುವುದು, ಕಪಿಲೆಗೆ ಎತ್ತುಗಳನ್ನು ಗೊತ್ತುಮಾಡುವುದು ಅಥವಾ ವಿದ್ಯುಚ್ಛಕ್ತಿ ಕೊಡುವುದು ಈ ಬರ್ಚುಲಾ ಇದರಲ್ಲಿ ಸೇರಿಸಿದೆಯೇ ?

ಶ್ರೀ ಎ. ಜಿ. ರಾಮಚಂದ್ರರಾವ್.—ಇದನ್ನು ಸೇರಿಸಿಲ್ಲ.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಆಮೇಲೆ ಕಮ್ಯುರಿಕೆ, ಬಡಗಿತನ ಇಂಥ ವೃತ್ತಿ ಕಲಿಸುವುದಕ್ಕೆ ಆಗುವ ಬರ್ಚು ಇದರಲ್ಲಿ ಸೇರಿಸಿದೆಯೇ ?

ಶ್ರೀ ಎ. ಜಿ. ರಾಮಚಂದ್ರರಾವ್.—ಇಲ್ಲ.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಇದಲ್ಲಾ ಸೇರಿಸಿದ್ದರೆ ದೇಶದ ಅನ್ಯಾಯರ ಬಡ್ತಿಟ್ಟಿಲ್ಲ ಬರುತ್ತಿತ್ತು. ವರ್ಷ ಒಂದಕ್ಕೆ ಒಟ್ಟು ಎಷ್ಟು ಬೇಕು ಎಂಬುದು ಸಿಕ್ಕುತ್ತಿತ್ತು ಅಲ್ಲವೇ ?

ಶ್ರೀ ಎ. ಜಿ. ರಾಮಚಂದ್ರರಾವ್.—ಇದಲ್ಲಾ ಸೇರಿಸಬೇಕಾದ ಆವಶ್ಯಕತೆ ಕಂಡುಬಂದಿಲ್ಲ.

ಶ್ರೀ ಎ. ಭೀಮಪ್ಪನಾಯಕ್.—ಹಾಗಿದ್ದಿದ್ದರೆ. ಈಗಿರುವ ಬಡಗಿತನ, ವೃತ್ತಿ ಶಿಕ್ಷಣ ಕಲಿಸಲು ಯಾರ ನಾಂದೂ ನೇಮಿಸಿದರೆ ಈ ಶಿಕ್ಷಣ ಸರಿಯಾಗಿ ದೊರೆಯುವುದೆಂದು ಭಾವಿಸಿದ್ದೀರಾ ?